

# Review of INTERNATIONAL AFFAIRS

VOLUME IX

JUNE 16, 1958

NUMBER

197

BEOGRAD

Published by:

THE FEDERATION OF  
YUGOSLAV JOURNALISTS

Chief Editor and Director  
MILORAD MIJOVIĆ

Issued twice a month

## FROM THE CONTENTS:

DE GAULLE AND ALGERIA

L. Erven

THE U.S.S.R. GOVERNMENT'S ONE-SIDED ACTS

A. Partonij

SOVIET CREDITS AND INTERNATIONAL LAW

Dr. Ladislav Serb

TRADE UNIONS AND WORKERS MANAGEMENT

Ivan Božičević

YUGOSLAVIA AT THE BRUSSELS WORLD FAIR

O. Bihalji-Merin

REVIEW OF THE SUTJESKA BATTLE

Peko Dapčević



## SOCIALISM AND PEACE

Dr. Aleš BEBLER

Chairman of the Foreign Political Committee in the Federal Peoples Assembly

THE qualitative jump in armaments witnessed by our generation has introduced a new element into the international situation. A monster has appeared on the horizon of human history the like of which mankind has never known before. The most eminent scientists talk of the possibility of annihilation of mankind, and all thinking people of the probability of near-inconceivable destructions and demolitions. The whole mankind is gripped by fear from a catastrophe in which hundreds and hundreds of millions of human beings would perish and which would turn the most developed countries, and others, too, into ruins.

Such a — qualitatively new — threat to mankind makes it absolutely incumbent on those forces which are looking to the future to reappraise some of

their outlooks upon the movement of history in our time and coordinate them with these significant new moments.

The first two world wars shook the international community very deeply. One consequence of that upheaval has been that the contradictions eroding it at that time had manifested themselves more forcefully, which led to the years of warring being followed by years of vehement changes of a progressive character. The First World War was followed by the victory of the first socialist revolution in history, the Revolution in Russia, and the disintegration of the Austro-Hungarian and Ottoman Empires. The Second World War was followed by successful socialist revolutions in Yugoslavia and China and the victories of the national-liberation movements and an ex-

pansion of the sphere of socialist relations in a series of European countries as well as the countries of South Asia, which inaugurated the disintegration of the classical colonial system.

What social changes may be expected from a Third World War?

I believe that the answer to this question should be sought in the following direction.

A world war such as is possible today and such as threatens us would bring not only untold suffering and ordeals, but destruction of those economic conditions upon which the degree of social development rests today. As a result, it would amount to putting human development back, on a world scale too.

Socialist social forces are the bearers and chief protagonists of human

progress. Their historical role, therefore, is also reflected in that theirs is a most lucid and most profound sense of responsibility for the destiny of mankind. It is in this responsibility and the action made incumbent upon them by this responsibility that their progressive historical role manifests itself.

Considering that mankind as a whole is threatened by „nuclear death“ as the greatest peril, prevention of such a death naturally imposes itself — in international relations — upon the forces of Socialism as their principal task. In other words, removal of the main danger from mankind's path to a more beautiful future is the prime task of the forces due to lead mankind to that more beautiful future.

Fulfilment of this great historical task would amount not only to preventing the catastrophe and regression of human development, but it would simultaneously confirm the positive historical role of socialist forces in the eyes of the whole mankind, contributing thereby to the development and victory of socialism on a world scale in the largest measure feasible today.

Consequently prevention of a nuclear war is that historical task upon which socialist forces should concentrate all their efforts in the domain of international relations. In this context, „the struggle for peace and the elimination of all obstacles toward its preservation... in the contemporary conditions is the fundamental content of the struggle for socialism in the domain of international relations“ („Kommunist“, May 29, 1958; italics by the author).

To be able to realize this task it is necessary to have faith in its realization.

It is true that growth of the forces of progress, the growth of the forces of socialism in the world of today, is not accompanied by an automatic reduction of international tensions and the war danger too. Nothing happens automatically in history. Its laws are realized through conscious human activity. And the mechanism — the objective conditions, human consciousness, a conscious and planned activity — has laws of its own distinguishing it from mechanisms such as may be fashioned by human hands from iron and steel.

The complexity of the international situation today and the cross-influences of multifarious social forces on a national and an international scale

are conducive to vagueness and confusion in the consciousness of progressive forces, the socialist ones included. The fact that the armaments race continues breeds, in such a situation, a certain disbelief, too, that the catastrophe can be prevented. Some even regard it as inescapable. There is a simple logic: the forces of socialism are advancing and winning in world proportions, so the forces hostile to socialism cannot be expected to remain idle to the end; when their present „policy of strength“ clearly proves inadequate to turn back the wheel of history, then they will have recourse to the last resort.

Such a schematic logic accepts the hitherto movement of international-political relations as something created not by people, but by supernatural forces, and as being unchangeable therefore. „Capitalism brings wars the same as clouds bring thunderstorms“. This poetic formula is turned into a reflex of helplessness in the face of „destiny“. It is turned into an eternal and absolute truism. It is turned into a justification of capitulation before the difficulties standing in the way of peace-loving, primarily socialist, forces in their striving for peace. It is turned into justification of a policy seeking not a way out of the present international situation toward the creation of conditions for a durable peace.

The laws of movement of contemporary society discovered by Marx guide this movement from capitalism to socialism. But the concrete paths of this movement depend on multitudinous factors, on the balance of strength in different countries and parts of the world in the individual phases of this movement.

It is a historical accident, therefore, that the movement of history at the time of the transition from the one social organization to another has proceeded through a world war in which the countries with a socialist social organization and the countries with a capitalist social organization were allies, and that some of them created antagonistic military blocs soon afterwards.

The existence of two military blocs and the armaments race between them constitute the most direct source of war danger today.

Stopping the armaments race between the blocs is the most pressing task of the peace-loving forces besides. Efforts made in that direction, efforts to reach agreement on discontinuation of nu-

clear tests and agreement on a gradual nuclear disarmament as the beginning of wider agreements in the field of disarmament and in other fields are meeting, therefore, and for the same reason, with a wide, and ever wider, support among the world public. In the past year evidence of this had been provided by the significant impact produced by the proposals of the Government of U. S. S. R.

However, the efforts to stop the armaments race are comparable to a treatment of symptoms. They do not reach the sources of the race. And its source occurs in the existence of blocs. While these subsist a fresh race will always be possible. Consequently the striving for peace will be properly aimed if it is passed from the first task — that of stopping the armaments race and creating other conditions for pacification of the relations between the existing blocs — to the second and lighter task, which is to create such conditions in international relations wherein the division into blocs could be caused to disappear.

The thought that this goal can readily be attained is remote from us. We have frequently stressed „that the division of the world into blocs be abolished by discussions about a mechanical, one-sided disbandment of blocs...“ (Kardelj, in the Report presented at the Seventh Congress).

The division of the world into blocs has the markings of a vicious circle in which every action breeds a reaction. So, the task is to get out of that vicious circle, to seek out the ways and means so that the peace-loving forces may pierce this vicious circle.

There is no magic formula for snapping out of the vicious circle at once. The essential thing is to keep the goal in sight and to keep seeking out, toward that goal, the steps and moves tending to develop international relations in the direction of that goal. The methods can vary. Obviously the most general rule in that respect is to promote comprehensively the relations between countries, without distinction as to their adherence or non-adherence to the blocs. It is in the spirit of this rule to promote economic, cultural and even political cooperation between the countries of the one bloc, regardless of their size and role therein, and the countries of the other bloc and the extrabloc countries. (Incidentally, it is in that direction that the initiative of the Rumanian Premier Chivu Stoica about Balkan cooperation has tended,

whereas the current campaign of the Eastern countries against the Federal People's Republic of Yugoslavia tends in the opposite direction.) It is in the spirit of this general rule to promote all forms of international cooperation transcending the bloc framework, such as cooperation inside wide international organizations, and primarily the United Nations Organization.

The new quality of warfare in our time has the effect, too, that fear from war is more universal and deeper than ever before, that the forces of peace

are more significant than ever as a result.

Consequently the front of the struggle for peace is far wider than ever before. It far transcends the front of the struggle for socialism, encompassing as it does, over and above the socialist forces, all progressive and all peace-loving forces in the world of today too.

Provided that all these forces moved toward overcoming the world's division into blocs, realization of this task will become feasible. And reali-

zation of this task would have infinite positive consequences. It would spell the transition from a temporary truce to a durable peaceful co-existence of all states and peoples, regardless of their internal organization. With this it would create the conditions for an unhindered further social progress of all countries. It would throw the door wide open to a new era in the development of mankind — the era of socialism!

## YUGOSLAV — SOVIET RELATIONS

# THE U.S.S.R. GOVERNMENT'S ONE-SIDED ACTS

— REPUDIATING CAPITAL INVESTMENT ARRANGEMENTS WITH YUGOSLAVIA —

Andrija PARTONIĆ

WITH its familiar Note of May 27 the Government of U. S. S. R. informed the Government of the Federal People's Republic of Yugoslavia — without any previous mutual conversations or any exchange of opinions at all — that it was invalidating (by a completely one-sided decision) two important economic arrangements which had been concluded between Yugoslavia and the Soviet Union on January 12 and August 1, 1956 (the second of which also committed the Democratic Republic of Germany).

This involves the Agreement on Cooperation in Constructing Certain Industrial Projects and the Agreement on Cooperation in Erecting an Aluminium Industry in Yugoslavia.

### THE CONTENT AND HISTORY OF THE AGREEMENTS

UNDER the Agreement of January 12, 1956 the U.S.S.R. took to grant to Yugoslavia a capital investment credit of 110 million dollars for a period of 10 years at 2% interest, with the proviso that the relevant Soviet economic organizations shall in the next three-year period prepare the designs, supply the equipment, etc. toward the erection of two fertilizer factories and one thermo-electric station, as well as toward the reconstruction and expansion of a number of mines, including also delivery of complete equipment for dehydration of gas. According to the obligations assumed, realization of this Agreement was to have started at once.

Under the Agreement of August 1, 1956 the U. S. S. R. Government and the Government of the Democratic Republic of Germany undertook to grant to the Yugoslav Government a credit of 175 million dollars for financing the construction of the first stage of a combine with a capacity of 50,000 tons of aluminium, which combine, after its definitive completion, would yield a production of 100,000 tons of aluminium annually. This financing was to have covered the erec-

tion of the combine as well as a series of other connected enterprises.\*

However, these two agreements obviously very significant ones for the further development of Yugoslav economy, experienced their first one-sided deferment already at the beginning of 1957, with a similar formal motivation and a similar „proposal“ from the Soviet side that realization of these capital investment arrangements be postponed for several years.

But also then, as now, the Soviet proposals and terms were not acceptable to Yugoslavia. After subsequent negotiations in Moscow, on July 29 of the same year Supplementary Protocols to the existing agreements were concluded providing that deliveries of equipment for the manufacture of fertilizers and the equipment for the power stations and mines, as well as the construction work on these projects, shall be carried out during the period from 1958 to 1964, with the proviso that the bulk of this programme shall be realized by 1961 already. For the aluminium combine, it was made precise that its erection shall begin in 1958 and that it shall definitively be put into operation in 1964.

However, according to the available data, by June, 1958 there had been concluded deals valued at 49,369.000 million dollars under the 110-million-dollar credit, and only 670,000 dollars' worth of deals under the aluminium credit. No systematized data are available yet as to how many of these deals have been executed, including delivery and payment. At all

\* Realization of these credits actually was to have inaugurated the execution of a wider programme of development of the aluminium industry in Yugoslavia, providing for the erection of plants with an annual capacity of 250,000 tons of aluminium, 520,000 tons of alumina and 150,000 tons of anodes in the mass, the plants to be located in the areas of Titograd, Mostar and Šibenik.

events, the rate of realization of these capital investment arrangements, especially the aluminium one, cannot be regarded as satisfactory.

#### ANOTHER DEFERMENT

**I**N THE NOTE of the Soviet Government of May 27 it is said that it has become indispensable to re-examine the conditions and terms of the credits granted to Yugoslavia, the Soviet Government having decided to make major capital investments in the domestic chemical industry "toward satisfying the needs of the population and the Soviet economy". The Government of U. S. S. R., therefore, suggests negotiations for establishing new credit terms, which it fixed simultaneously on its own, viz.,

— For the 110-million-dollar credit, the period from 1962 to 1969; and

— For the 175-million-dollar credit, the period from 1963 to 1969.

This means that, by one-sided decision of the Soviet Government, the original, and validly established, terms were moved by a whole ten years.

For an economy experiencing such dynamic development like the Yugoslav one, a deferment of this kind actually amounts to cancellation of the credits, which at the same time ought to dislocate essentially this dynamic development too.

And here are another two characteristic "proposals" from the Soviet Note:

(1) "Subject to the Government of the Federal People's Republic so desiring", Soviet foreign-trade organizations can deliver the equipment to Yugoslav economic organizations and execute the designing work within the time limits established by the Supplementary Protocols of June 29, 1957, against payment from current goods exchanges, not on credit, however; and

(2) "If so desired by the Yugoslav Government", the Soviet party to the Agreement could deliver to Yugoslavia, for the period of postponement of putting into operation the enterprises provided by the Agreement of January 12, 1956, a certain quantity of mineral fertilizers on a barter basis.

Just these two "proposals" reveal the material substance of the U. S. S. R. Government's Note. The idea being to cut off the economic assistance these credits were to have represented and reduce economic cooperation with Socialist Yugoslavia to the classical forms of goods exchange practiced between capitalist countries, forms which, in the contemporary conditions, have already been abandoned, or are being abandoned, by the economically more developed capitalist countries, both in their mutual relations and their relations with the countries building Socialism.

Viewing the "proposal" of the Soviet Government regarding fresh negotiations for the conclusion of protocols supplementary to the already existing Supplementary Protocols and relating to the already determined obligations, assumed under double agreements, the question arises what would be the good of this considering that experience indicates that even everything that might subsequently be agreed upon would depend again upon a subsequent appraisal of a partner (U. S. S. R.) who feels stronger and free to treat international obligations of this kind in the way that strikes him as utilitarian, or, rather, expedient, at a given moment?

Consequently, in this case, some subsequent negotiations cannot come into consideration because what is involved is a one-sided denunciation of the self-same agreements that have already been signed twice before. All the more so since the motivation offered in the Note clearly reveals that what is involved is the already familiar economic pressure whereby the Government of U. S. S. R. is anxious to attain a particular political end. This is the conclusion imposing itself of its own

notwithstanding the oral assurances offered from the Soviet side in presenting the Note — to the effect that this act was designed to improve, not deteriorate, the relations between the U. S. S. R. and Yugoslavia"!

That this truly constitutes another attempt at attaching political conditions to economic assistance spring from the fact that the motivations stated in the Soviet Note are devoid of any justified economic element at all, which, obviously, is a thing the authors of the Note were not particularly concerned with either. The Note says, for example, that the U. S. S. R. Government intends to intensify its capital investments in its chemical industry, being therefore compelled, see, to repudiate the commitments assumed. Even though it is clear to all that this "reason" is entirely arbitrary and unconvincing, the question may also be posed what has Yugoslavia got to do, as an equal partner in a legalized interstate agreement, with those purely internal matters of the U. S. S. R. Yugoslavia strictly honours her international agreements and, rightfully too, she expects others to do as much.

#### HARM ON BOTH SIDES

**A**S FOR U. S. S. R. Government's proposal about the conclusion of some barter deals involving Soviet deliveries of mineral fertilizers to Yugoslavia, in her foreign trade Yugoslavia has practiced and practices this form of exchange of goods and, provided it proved necessary and suitable, she will practice it with the U. S. S. R. also.

But, firstly, such possible deals can never replace the concrete obligations of the U. S. S. R. Government under the Agreement of January 12, 1956 and the Supplementary Protocol of July 29, 1957.

And, secondly, the protagonists of the foreign-trade policy of Yugoslavia as well as the economic organizations being the protagonists of the Yugoslav exports and imports look upon such a form of exchanges as a sort of "necessary evil", one warranted, in the main, where the exchanges are made with a partner representing a monocultural, undeveloped economy or with whom there are no contractual economic relations. In the remaining cases, though, such a form of goods exchange ordinarily brings harm to both the one and the other party involved, hindering as it does the desired directing and ramifying of the exchanges and relegating them to an inferior level.

This would be a peculiar and unwarranted degradation of Yugoslav-Soviet trade relations, founded on a multiannual agreement. Precise commodity lists are agreed upon between Yugoslavia and the U. S. S. R. every year and, for the rest, their trade relations have marked a constant and rapid growth in recent years, especially after the signature of the Beograd Declaration, which had given a wide base to these relations, and others too.

Last year, for example, in Yugoslavia's foreign trade, the U. S. S. R. occupied third place in the total Yugoslav exports, with about 49 million dollars, and fourth place in the total imports, with about 69 million dollars. This year, for which exchanges totalling a value of 130 million dollars had been scheduled (65 million dollars either way), 36 million dollars' worth of contracts had been concluded by May 15 involving Yugoslav exports and 34 million dollars' worth involving Yugoslav imports, which can be regarded as expressive of a very favourable trend of the exchanges.

Such a development of these exchanges no doubt has been helped both by the advantageous composition of the commodity lists and the ever improving familiarity with the market on both sides, which came about after the normalization of relations.

Realization of the capital investment arrangements in question in this and the coming years would certainly have contributed to a further expansion of the goods exchanges,

as well as to consolidation of economic cooperation. Their one-sided repudiation on the part of the U. S. S. R. can bring no benefit at all either to the one or the other national economy, notwithstanding the assertions in the U. S. S. R. Note about some "mutual advantages" and care "for the flourishing of the Soviet economy"!

What "advantages" this one-sided act of the U. S. S. R. Government can bring to the Soviet economy is subject to serious doubt. But it is indubitable that it is causing a great direct harm to the Yugoslav economy. For, the construction of

the projects agreed upon with the U. S. S. R., involving precise time limits, has also been scheduled in the Yugoslav perspective plans of economic development, which plans now suffer a serious dislocation. Besides, large material resources have also been committed toward preparatory and other work on these projects. Consequently Yugoslavia has both a moral and a formal right to demand fulfilment of these arrangements or, as the last resort, a fitting material indemnity, which has already been intimated from the official Yugoslav side.

## THE SOVIET CREDITS AND INTERNATIONAL LAW

Dr. Ladislav SERB

BY ITS Note of May 27, 1958 the Soviet Government informed the Yugoslav Government that it is necessary to re-examine the terms of the credits opened to Yugoslavia according to the agreement of January 12 and August 1, 1956. This need, it is further stated in the Note, was entailed by the recent decision of the Soviet Government to accelerate the development of the national chemical industry, especially the production of synthetic materials and products which will satisfy consumer requirements and the needs of the national economy thus necessitating further substantial investments in the Soviet chemical industry during the next few years. For this reason the Soviet Government is obliged to modify its financial plans for the purpose of assuring the economically most effective utilisation of the financial resources available. Owing to this circumstance, the Soviet Government is obliged to propose the postponement of the terms set for the utilisation of the credits granted to Yugoslavia, namely for the agreement of January 12, 1956 delivery of equipment for a nitrogenous fertilizer factory, a superphosphate factory and a thermal electric plant, the delivery of equipment for two lead-zinc mines and a mercury smelting plant to 1962-1969, while the term proposed for the utilisation of the agreement of August 1, 1957 (aluminium works) is 1963-1969. The terms of the execution of the works and deliveries would likewise be deferred. However if the Yugoslav government wishes, the Soviet foreign trade organizations could deliver the equipment stipulated to the Yugoslav organizations and carry out the work agreed, not on a credit basis, however, but against payment from current commodity exchange. In the opinion of the Soviet government these proposals correspond to the principles of economic cooperation between countries and the conviction is expressed that the Yugoslav Government will understand them correctly and adopt a positive attitude towards them. Last, it is left to the choice of the Yugoslav government whether the changes proposed should be determined by the exchange of notes or supplementary protocols; the Yugoslav Government is also notified that previous agreement was reached on the proposal which refers to the agreement of August 1, 1956 with

the Government of the East German Democratic Republic which is also a signatory to this arrangement.

We have cited the contents of the Soviet Note at some length as it is an unusual document in international relations. A demand is made by this note while at the same time the circumstances stated as an explication, according to all principles of international law, preclude the right to advance such a claim. In the first place, one of the fundamental principles of international law — *pacta sunt servanda* — requires that when an international agreement has been concluded the contracting parties do everything within their power in order to assure its meticulous fulfillment. By contrary to this principle, the Soviet Government invokes its own decision on stepping up the development of the chemical industry which was brought after the respective agreement came in force as an obstacle which prevents the implementation of the latter. It is clear that after the agreement came in power, the Soviet Government ought not to have brought a decision which would have prevented its implementation. However irrespectively of the fact how this arose, it ensues from the further text of the note that such an obstacle is in fact nonexistent, as the Soviet government has offered to carry out the obligations provided for by the agreement only not on a credit basis but against payment from regular commodity exchange. One would have to deeply underestimate the Soviet economic potential in order to assert that the extension of such a credit would constitute an intolerable strain.

It is hard to understand what prompted the Soviet Government to think that it can ignore the fundamental principles of international law where these agreements are concerned: reference to the "principles of economic cooperation" in the respective part of the note, could point to the conclusion that the opinion prevails that such a breach is permissible in agreements on economic assistance from which only one partner derives direct and tangible benefits, while the other party assumed the obligation to give, although (according to the primitive interpretation of international law) it was not legally obliged to do so.

Leaving aside the deep incorrectitude of such a view, we wish to demonstrate, that in as far as this is the cause underlying the action of the Soviet Government, it is obviously based on false premises.

The legal history of the agreement in question begins with the Beograd Declaration. It is stated in Point III of this document:

.....relying on the principles stated in the Declaration, the Yugoslav and Soviet Governments agreed on the following:

1) To undertake all the measures necessary for the establishment of normal contractual relations, which will provide the basis for the regulation and guarantee the normal development of relations with a view to extending cooperation between the two countries in all domains of interest for the two governments;

2) On the need to strengthen economic relations and broaden economic cooperation between the two countries.

For this purpose the two governments agreed to undertake the necessary measures which would do away with the consequences called forth by the disruption of normal contractual relations in the economic relations between the two countries.

They have likewise agreed to approach the conclusion of the necessary agreement which will regulate and facilitate the development of economic relations in the above mentioned sense..."

The parts of the text which are underscored clearly indicate that the economic agreements foreseen should serve not only for the „promotion of mutual and international economic cooperation in the elimination of all factors in economic relations which impede commodity exchange and hamper the development of the producer forces in the world and within the framework of the national economies“ — this is the principle expressed in the first part of the Beograd declaration — but at the same time form part of the „measures for the liquidation of the effects called forth by the repudiation of normal contracts in the economic relations between the two countries“ or in other words constitute part of the indemnity for the enormous losses sustained by the Yugoslav economy owing to a series of international offences committed against it by the repudiation of economic agreements after the Cominform resolution. By fulfilling the agreements the Soviet Union would honour only a small part of its obligations to make amends for the effects of these delicts for which it is responsible before the international community.

Under the terms of these agreements the Soviet government assumed the obligation to extend 285,000,000 dollars worth of credits to Yugoslavia provided their utilisation begins during 1958. On one occasion already in July 1957, notwithstanding the substantial losses thus incurred, the Yugoslav Government complied with the

Soviet request and agreed to postpone the utilisation of this credit to 1957 namely 1958.

The Soviet Government is well aware that major objectives of the current and long term Yugoslav economic plan are in question, that the construction of some projects provided for by the agreement is already partly under way, and that substantial funds have already been committed in order to organize the utilisation of the credits foreseen. The Soviet government must be cognizant of the fact that the Yugoslav economy would suffer substantial losses owing to the further postponement of these credits, which would in the long run have an adverse effect on the standard of living of the Yugoslav peoples. If under such conditions the Soviet Government expressed the conviction that the „Yugoslav government will correctly understand the proposals advanced in this note and adopt a positive attitude towards them“ then it is asking the Yugoslav Government to place the wishes of the Soviet rulers above its responsibility towards its own people and above the interests of its peoples which bore the brunt of the Cominform economic blockade, and not only renounce the partial indemnity promised them, but do so under circumstances which entail fresh losses instead of compensation, and the decline of the standard of living. Needless to say, no government would be entitled to deal so irresponsibly with the interests of its peoples.

The very advancement of so obviously an irresponsible proposal on the postponement of credits, especially the circumstances under which this was done and which are odiously reminiscent of the Cominform threats and campaigns that preceded and accompanied the repudiation of economic agreements, introduces an element of uncertainty in the implementation of the existing agreements and is contrary to the norms of international law which stipulate the bona fide fulfilment of contracts. Therefore, if the Soviet Government and the Government of East Germany really wish to avoid the responsibility for this fresh violation of international law, they will have to prove their serious intention to honour the obligations assumed, as soon as possible. A contrary attitude would create a situation which is probably without precedent in international relations: that an obligation assumed for the purpose of making amends for the effects of an international delict be used for the perpetration of a fresh offense, and that an obligation assumed with a view to promoting trade be used for the obstruction of economic development.

All that we have said above refers to the relations between the participants in the contract. But in a world whose existence depends on international cooperation, no one is entitled to introduce elements of uncertainty in contractual relations and „disrupt normal contractual relations“ (as stated by the Beograd Declaration) least of all with regard to agreements on economic cooperation to which so many hopes in the better life of more than half of mankind are pinned. The credits involved in this concrete case are a mere trifle by comparison with the credit the responsible big power leaders must have in order to preserve the hope that a reasonable organization of the world is possible.

# DE GAULLE AND THE ALGERIAN PROBLEM

L. ERVEN

ONE OF THE FIRST ACTS of General De Gaulle after having formed a government and dissolved the National Assembly was to leave for Algeria and establish personal contact with the generals who created such a situation in the metropolis whose only solution lay in his assumption of power. This trip was considered a proof of the significance the new French Premier is attaching to the Algerian problem. Although the Algerian problem brought De Gaulle to power it could overthrow him just as easily or at least complicate matters for him to no small extent and perhaps even force him to change his plans and revise the methods proposed for their fulfilment.

The Algerian problem appears before De Gaulle in a far more complicated form than in the case of his predecessors. The previous Governments were confronted only by the popular rising and its leaders whom it was necessary to quell and subdue, which these governments did not succeed in doing, or reach agreement with them which they were either unable or unwilling to do. De Gaulle must count with another two factors. One doubtless lies in the solidarity of the other Maghreb countries — Tunisia and Morocco — with the Algerian Front of National Liberation, and the second in the advent of the Committee of Public Safety as the actual exponent of authority.

The solidarity of Tunisia and Morocco with the struggle of Algeria is no new fact and also formerly impaired the French relations with the countries of North Africa. The novelty lies in the decisions brought at the recent Conference for the Unification of the Maghreb in Tangiers at which the leading political parties of Tunisia and Morocco and the National Liberation Front of Algeria adopted the future Algerian independence as a joint and definite political decision. In the Algerian issue De Gaulle is faced not only by the Front of National Liberation and eventually perhaps also an emigrant Algerian government somewhere abroad, but also by Tunisia and Morocco. Thus the Algerian problem has at last been transformed into the problem of North Africa. The repercussions of this problem on the French relations with her principal western allies which are following the developments in North Africa with growing dissatisfaction and exasperation, and which have shown on more than one occasion that they do not agree with the French policy in this region renders the French position on this issue all the more difficult.

The other basic factor bearing upon the Algerian problem, namely the Committee of Public Safety lies on the opposite pole. Originally the result of a conspirators plot, the Committee is rapidly expanding and acquiring the nature of a political organization with distinct pretences to wield an absolute influence not only on the

pursuit of Algerian policy but also the creation of a new constitutional system in France. The fact that this Committee is based on military force and enlists the allegiance both of the Algerian commanders and their men renders this committee more efficacious and stronger than an ordinary political organization. With the support of the Algerian colons and French political circles this new factor of French policy became so powerful that it overthrew the constitutional system in the metropolis by its resolutions. It enabled General de Gaulle's rise to power, whether as an absolute leader as he himself is wont to believe, or not so absolute as certain symptoms seem to indicate, still remains to be seen.

It is therefore no wonder that De Gaulle considered his trip to Algeria where the roots of his power lie the most urgent task while striving to curb and check the ambitions of the Committee at the same time.

One of the fundamental characteristics of De Gaulle's rise to power lies in the fact he was summoned to assume the leadership of the country by reason of personnel prestige and confidence, and not as a result of the approval given to his programme, this being contrary to the habitual procedure for investiture by the French National Assembly. By the very procedure he chose in the assumption of power De Gaulle emphasised this aspect of his investiture as he refrained from stating his programme both in his various public statements and in Parliament. He only mentioned two fundamental objectives he wishes to accomplish: To reform the Constitution and consolidate the community of France and the "associated peoples" thus also embracing the problem of Algeria. He did not say, however, how he proposes to resolve these issues in practice, as he obviously did not wish the deputies to discuss his programme: he asked for and received "absolute confidence". Something of his programme concerning the constitutional reform may be discerned, as De Gaulle's views of the French parliamentary system are known and have been borne out by the manner in which he took over the government of the country. Even these general indications were lacking, however, with regard to the problem of Algeria which he even refrained from mentioning in particular. The French policy pursued so far has muddled and complicated the issue to such an extent that there are probably very few people in France who have a clear — cut and more or less accurate idea as to the manner in which this issue will be settled. The Parliament gave its vote of confidence and wished De Gaulle a "bon voyage" into this labyrinth of conflicting interests and political passion.

The situation in France has come to such a pretty pass that any problem published in advance, even De Gaulle's for that matter would never receive the neces-

sary majority. De Gaulle acted with the instinct of a practical politician when he refused to state his concrete programme whose adoption would have, under different circumstances, conditioned his investiture by the National Assembly, being the only person who could receive the investiture on the basis of sheer personal prestige. De Gaulle profited by such a state of affairs demanding absolute confidence and a free hand in implementing what he deems expedient.

De Gaulle set a six month term for the fulfilment of this task. Asking the Assembly to invest him as head of the government, he promised that after the lapse of this term and after the fulfilment of this task he would restore power to the constitutional organs of the Republic. He did not say anything as to what will happen in case he fails to accomplish this task within the term stipulated or if he encounters difficulties which would oblige him to change the methods foreseen for its accomplishment. Will the General who refused to surrender before the entire German armed power capitulate before internal difficulties or political and general committees?

It is unlikely that De Gaulle will encounter such difficulties in the implementation of the constitutional reform, which will aim at strengthening executive authority and freeing the government from its excessive dependence on parliament. De Gaulle intends to do so by a more rigid and definite division of power. The previous constitutional system of parliamentary government was one of the fundamental reasons underlying political instability, or so it is considered in France.

In this respect perhaps De Gaulle will not meet with the wholehearted support of the French parliamentarians, nor does he seek such a support in those quarters. He will rely on the people whom he will summon to a referendum. He may count with a favourable response because the previous parliamentary system was compromised among the broad strata of the people owing to the weaknesses it revealed and discontent it created. It is still uncertain whether this reform will be limited only to the elimination of the previous shortcomings of the French parliamentary system or whether it will also eliminate democracy; in other words, it remains to be seen whether this reform will throw out the baby with the bathwater, all the more so as the allusions on the prohibition of political parties in France made in a recent resolution of the Algerian Committee of Public Safety does not express only the isolated views of the three Algerian generals.

The second objective of the constitutional reform which concerns the French relations with the territory of the French Union is still less likely to meet with the opposition of the electorate. There can be no doubt that De Gaulle's proposal will assign priority to the French interests however.

#### INTEGRATION OR FEDERATION

THE PREVISIONS concerning the Algerian problem must necessarily be less optimistic. Will De Gaulle a shrewd tactician in the assumption and preservation of power also prove a realistic reformer? So far he has made public the main theses of the first part of his plan for the solution of the Algerian problem. Neither the Algerian nor the French side in Algeria are satisfied with this part.

During his visit to Algeria De Gaulle made a few cryptic declarations which are insufficient to afford a comprehensive idea of his entire plan, but are nonetheless sufficient to grasp its essentials. The integration of the Algerian population into the French nation is his starting point. "As from today", — proclaimed De Gaulle from a balcony at a mass meeting, — "there is only a single class of inhabitants in Algeria. There are only Frenchmen with equal rights and duties. They will resolve all their affairs in common electoral bodies either in Algeria or France as a whole. It is under such a system that the Algerians will elect their representatives freely. In his latest speech in Paris, however, De Gaulle declared himself in favour of a solution within the framework of a federated union.

De Gaulle's idea poses more problems than there are words in it, so that it is risky, to say the least, to draw definite conclusions. Nonetheless one conclusion is logical. The Algerians will take part in the political life of France in the same body of electors with all Frenchmen, hence also in the referendum on constitutional reform which should also cover the status of Algeria. On the other hand the French in Algeria which form part of the same electoral body will take part with all Algerians in the creation of the political organs of Algerian authority. The Algerians will consequently enjoy full equality of rights with the Frenchmen in France and Algeria. This mechanism should in the long run lead to the integration of Algeria into French territory most probably with certain forms of home rule. This is obviously no new thesis. The only novel feature consists in the official proclamation of the Algerians as French nationals and the granting of equal rights.

De Gaulle's plan for Algeria seems simple, efficient and apparently democratic. To some extent it coincides with the claims of the Algerian nationalists (the principle of equal rights and free elections) and to a still greater degree with the demands of the Algerian colons (the proposal of integration). But there are many things that neither side desires. The Algerians do not want to be integrated into the French nation and the colons do not want integration with in the framework of Algeria. The Algerians do not want to be proclaimed Frenchmen which they are not, nor do they wish their few millions to be engulfed into the many millions of Frenchmen, while the one million Frenchmen in Algeria certainly do not want to be absorbed by the nine million Algerians.

De Gaulle's plan has the weakness of denying and ignoring the development of the Algerian problem so far and the forces that arose within it. This denial diverted its author from the quest of a compromise solution which might perhaps be found precisely along the road to integration. De Gaulle obviously imagines that the Algerians will begin to think and behave as Frenchmen as soon as he proclaims them as such. It is extremely doubtful whether, after such a proclamation, even the French themselves will begin considering the Algerians their compatriots overnight. Nations are not formed by decree. De Gaulle did not state any details of the new plan for a federal solution.

General De Gaulle envisaged the solution of the Algerian problem through a vision of brotherhood and equality which should prevail among all French and as-

sociated peoples in the general rebirth which he conceived as a way out of the present French crisis. All his statements and messages so far are imbued with this optimism which frequently expressed poetically. De Gaulle is a true Frenchmen in this respect. There is something of the traditional French revolutionary theories in his speeches.

De Gaulle's plan would be truly democratic if Algeria were inhabited by Franchmen only and not another people which considers to have the same rights as the French to the recognition of its individuality and independence and which is bravely fighting for its rights. There can be no outvoting in the relations between the two peoples. It therefore seems improbable that the ten

million Algerians will consent to outvote with forty million Frenchmen.

Perhaps the second, unpublished and final part of De Gaulle's plan is conceived in the form of a Federation of Algeria and France or some broader federation to which the Algerian leaders could agree, in as far as it would guarantee the free development of the Algerian people. Is this were so, then it is really unfortunate that an easier, safer and shorter way which would correspond to the fact that another people exists in Algeria was not adopted. This path would lead through negotiation based on genuine equality of rights instead of the road of integration which is based on a fiction. In this manner the problem has been garnished by new high sounding words but no real headway has been made.

## EAST-WEST NEGOTIATIONS

# Development of Initiative for Talks

N. DUBRAVČIĆ

**I**N ITS issue No. 193 of April 15, the "Review of International Affairs" published a chronological survey of diplomatic activity aiming at the organization of an international conference of top — level eastern and western representatives since its beginning in November 1955, — when the Soviet Government advanced this idea, — to the moment when the USSR consented, at the beginning of April, to the western proposal that preparation talks be opened in Moscow at ambassadorial level. It seemed at the time that the essential differences with regard to the procedural and essential aspects of the conference which impeded the two parties from convening at the green baize table in the foreseeable future for the purpose of seeking a way out of the perilous situation of mutual cold war and hurried armaments that existed at that time however were reduced to a critical degree owing to the sudden deterioration of international relations and the outbreak of fresh conflicts entailed by the pressure of bloc policy. The disorders in Indonesia, tension in the Middle East over Tunisia, unrest throughout Latin America as well as the events in Algeria and the crisis in France have created a new climate in international relations which is highly unfavourable for peace talks. Some other phenomena of intransigency have also had an adverse effect on the preparations for the summit conference. This primarily refers to the discussions

in the Security Council on the control of Arctic flights, the decisions of the NATO on the construction of missile launching pads, the armament of the Bundeswehr with atomic weapons and missiles, as well as the persistently negative attitude of the western powers towards the prohibition of nuclear test explosions and their rejection of the Rapatzki plan.

Nonetheless, although greatly delayed and beset by the difficulties which are due to the lack of readiness on the part of the responsible powers to refrain from all actions which could aggravate the atmosphere of mistrust in mutual relations, the prospects for an international conference have been somewhat improved of late. After a critical period of stagnation, the necessary concessions have been made on both sides in order to coordinate the views on the questions that impeded agreement. Thus agreement in principle was reached on the holding of separate preparatory ambassadorial talks in Moscow. These talks are in progress, and judging by all prospects should pave the way for a meeting of foreign ministers. An exchange of views in Moscow with the agenda of the eventual conference during which both sides renounced to some of their extreme claims. The USA and the USSR are well on the way to reach an agreement on the convocation of an expert conference which will study the technical possibilities of control over the eventual arrangements providing for the

prohibition of nuclear tests. On its part the Soviet Union also assumed the initiative for a substantial expansion of economic relations with the USA.

These are all favourable symptoms which may warrant a more successful course of events in this respect, needless to say, provided that constructive perseverance and political wisdom in bringing decisions in the interests of general peace and progress are not lacking on either side.

## THE COURSE OF CORRESPONDENCE

April 11: The Soviet Government expressed its readiness to begin the exchange of views in Moscow with the representatives of the western powers on the organization of a meeting of foreign ministers. In this way the Soviet Union complied with the demand put forward by the western powers on March 31 to effect an exchange of views by diplomatic channels which would lead to a meeting of foreign ministers. The Soviet government asked that the exchange of views at ambassadorial level be restricted to a minimum number of questions, such as the time and place of the foreign ministers conference and its composition. The foreign ministers would be due to agree on the time, place and composition of the summit conference and determine the scope of problems which would be dealt with on that occasion. In this connection, and if the need arises, the ministers may agree to exchange opinions on some questions proposed by both sides for the agenda of the summit conference but only in order to explain the expediency of introducing the respective problem on the agenda. The Soviet Union considers that the summit conference cannot be made dependent on the result of the foreign ministers conference.

April 12: In a joint communique the foreign ministers of Poland, Czechoslovakia and Eastern Germany denounced

the decision of the Bonn Government to equip the Bundeswehr with atomic weapons, stressing that in such a situation the significance of the Rapatzki plan for the creation of a nuclearfree zone in Central Europe is enhanced. They expressed their readiness to set up a system of extensive controls within the framework of the nuclear-free zone and discuss the details of this plan with all the governments concerned. The three ministers fully indorse the Soviet proposals for the convocation of a summit conference.

April 12: The proposal of the Soviet reply of April 11, the Permanent preliminary diplomatic talks for the purpose of preparing the sumit level conference was favourably received by the Bonn Government.

April 13: The leader of the British opposition Hugh Gaitskell invited the western powers to follow the example of the Soviet Union to stop nuclear test explosions and initiate talks with the USSR for this purpose.

April 14: Having examined the Soviet reply of April 11, the Permanent Council of the NATO agreed that the three western powers should give a positive reply to the Soviet proposal for the opening of preliminary talks at ambassadorial level. The majority of fifteen delegations of the western countries objected to the initial intention of the USA to reject the Soviet proposal. The Permanent Council of the NATO adopted the standpoint that the Soviet reply is positive, but that the western powers must reserve the right to accept or reject the dates proposed for the subsequent talks.

April 16: President Eisenhower stated that he is ready for a summit conference if it is found that there are any real chances whatever for the adoption of constructive measures.

April 16: The three western powers agreed that diplomatic preparations for the conference be initiated in Moscow. In a joint memorandum to the Soviet Government they proposed that the differences of view with the Soviet Union with regard to the preparatory talks be the first subject of discussion at the meeting of their ambassadors with the Soviet representative. They also asked that essential problems and questions of procedure be examined during the diplomatic talks. The western powers renewed their demand that the attitudes of the individual governments concerning the principal outstanding problems be examined beforehand, and that the discussions be waged in such a manner as would enable agreement on these problems to be reached.

April 18: In a joint communiqué the British Premier Macmillan and Chancellor Adenauer agreed that the holding of a summit level conference is desirable,

while adopting the standpoint that the most efficacious preparations should be carried out so as create better chances of succes. Adenauer and Macmillan consider that the problem of disarmament control constitutes the most urgent task of the conference.

April 18: The Soviet Foreign Minister Gromyko accused the USA that their aircraft carrying A — bombs are flying over the Arctic regions in the direction of the Soviet frontiers. The Soviet Union will submit a request to the Security Council that such flights be stopped.

April 19: In a report to the Federal Peoples Assembly President Tito of Yugoslavia stressed that a summit meeting is indispensable and indicated that it is the eleventh hour for the preparation and concovation of a meeting of big and small countries for the purpose of finding a way out of the dangerous international situation. In view of the degree of mistrust and divergences that prevail in the views of the powers, President Tito insisted on the need that the representatives of the countries which do not belong to any military alliance and who have proved by their policy pursued so far that they are dedicated to the cause of peace and international negotiation also take part in the conference. „The participation of representatives of such countries as India, Sweden and Yugoslavia for example at a summit meeting, — stated Comrade Tito — would be a constructive contribution to the rapprochement of views and the devising of such solutions which would be acceptable to all. We consider that under the present conditions every meeting at summit level may yield constructive results, even if it enables the solution of a single or only some of the outstanding questions, provided that the right of all countries to independence, equal rights and non-interference in their internal rights is strictly respected. „As for the preparations of the talks President Tito expressed the opinion that the latter would have far better prospects of success if various highpressure methods were abandoned, such as for instance the continuance of the armament race, the holding of nuclear test explosions and the construction of missile launching bases.

April 21: In a message to Soviet Premier Khrushchev, British Prime Minister Macmillan expressed the opinion that notwithstanding the procedural difficulties, favourable arrangements could be reached, which would lead to a meeting of foreign ministers and susequently to a conference at summit level. Macmillan considers that the problem of nuclear tests could be one of the points of discussion at such a meeting.

April 21: Lester Pearson declared himself in favour of a summit meeting

without drafting determining the agenda beforehand. He suggested that such a meeting be organized for the purpose of exchanging views, approaching the problems and improving the general international climate.

April 24: In a communiqué on the joint talks, the Soviet and Czechoslovak foreign ministers Gromyko and David demanded the convocation of a summit conference as soon as possible, while at the same time rejecting all attempts of the western powers to place the problem of the situation in the countries of Eastern Europe on the agenda of the conference.

April 24: In a message to President Eisenhower Soviet Prime Minister Krushchev, again appealed to the USA and Great Britain to suspend the nuclear tests. Krushchev disagreed with Eisenhower's view that the decision on the cessation of nuclear tests should form part of a general agreement on disarmament. Krushchev also rejected the plan of the US President on aerial inspection.

April 24: The three western powers submitted a claim to the Soviet Government that the ambassadors of the four powers convene urgently in Moscow within the framework of the preparations for the summit conference. As known, Soviet Minister Gromyko held separate talks with the ambassadors of the three western powers on the subject.

April 27: The Soviet Government sent a note to the western powers on the talks with their ambassadors in Moscow, in which it proposes that the ambassadors of Poland and Czechoslovakia take part in the preliminary talks in Moscow. The Soviet Union rejects talks with western representatives which would resemble discussions between four powers, and in which the Soviet representative would face the three western delegates alone.

April 27: The British Foreign Secretary Selwyn Lloyd stated that his country wishes efficacious preparations for a top level meeting to begin as soon as possible which would yield constructive results for the world at large.

April 28: In a letter to Premier Khrushchev President Eisenhower asked the Soviet Union to joint the US and its allies in the draft of a programme for the international inspection of armament in the arctic regions. Eisenhower urged the Soviet Government to adopt the US proposal which refers to the reduction, (under international control) of the use of fissile materials for military purposes and to agree to the restriction or abolishment of nuclear tests, aerial inspection and the use of outer space exclusively for peaceful purposes.

April 29: The Security Council examined the US proposal on the establishment of a zone of inspection in the Arctic region for the purpose of preventing

surprise air attacks. The Council also received the latest resolution of the Soviet Union on the convocation of a summit meeting as soon as possible, as well as the Soviet demand that the flights of US planes loaded with nuclear bombs in the direction of the Soviet frontiers be discontinued immediately.

May 2: The Soviet delegate in the Security Council vetoed the US proposal on the establishment of international inspection in the Arctic, while on the other hand the majority of the delegations in the Council rejected the Soviet demand on the prohibition of flights of US aircraft over the Arctic regions. In the course of the debate the Swedish representative proposed that the problem of control in the Arctic be examined at the summit conference. It was proposed in the resolution of the Council that the disarmament problem be examined at the summit conference.

May 3: The three western powers officially notified the Soviet Government that they accept its proposal on the holding of separate talks of their Ambassadors with Foreign Minister Gromyko because the USSR agreed to discuss the basic issues.

May 3: Soviet Premier Krushchev published his proposal on the agenda of the summit conference which covers the following problems in the Greek daily "Nea": the immediate suspension of nuclear tests, the creation of a nuclear-free zone in Central Europe, the conclusion of a non-aggression pact between the NATO and the Warsaw Pact countries, the reduction of foreign military power in West Germany, the alleviation of tension in the Middle East, economic cooperation between different countries and the cessation of propaganda activities.

May 5: Soviet Minister Gromyko informed the three western powers that the adoption of the procedure providing for separate talks of ambassadors in no way prejudiced the composition of the future foreign ministers and summit conferences. The Soviet Government does not preclude the possibility of exchanging views on some questions proposed for the agenda of the summit conference, if the need arises and provided general agreement is reached, but only for the purpose of ascertaining the expediency of placing the problem in question on the agenda of the conference.

May 8: In its final communiqué the NATO conference in Copenhagen adopted the standpoint that the German problem should be a subject of discussion at an eventual summit conference. In the explication of this claim, it was stressed that any more comprehensive solution of the disarmament problem would be impossible without the solution of the German problem. The NATO conference decided to step on the construction of missile launching pads in Western Europe.

May 11: Replying to the message of President Eisenhower Soviet Premier Krushchev expressed the readiness of his government to adopt the US proposal that the experts of both sides study the technical details pertaining to the control of the implementation of an eventual agreement on the suspension of nuclear tests. The Soviet Government agrees that both sides name experts which would immediately begin studying the ways and means for the detection of eventual breaches of the agreement, provided that experts terminate work within the shortest possible term which would be fixed beforehand.

May 15: UN Secretary General Hammarskjold stated that Krushchev's acceptance of the US proposal on the formation of technical groups for the study of control measures has reopened the prospects of progress in the field of disarmament.

May 24: President Eisenhower proposed to the Soviet Government that US, British and French experts convene within a three week period in Geneva for the purpose of studying the technical measures for the control of the nuclear test ban. Eisenhower also left the door open to the participation of experts from other countries, eventually from Canada, Japan and Eastern Europe. The US President asked the experts to assure the bringing of scientific and not political conclusions, and that the UN and its agencies be informed of the headway made in this direction.

May 27: A communiqué on the consultation of the Political Consultative Committee of the Warsaw Pact was published in Moscow in which it is stated that the member countries of the Pact decided to reduce their armed forces by another 119,000 men this year. The participants at the consultation approved the proposal of the Soviet Government on the prompt withdrawal of Soviet troops from Rumanian territory and on the reduction of Soviet forces in Hungary by one division. The communiqué includes a proposal on the conclusion of a non-aggression pact between the countries of the Warsaw Pact and NATO. As for the summit conference, the countries of the Warsaw Pact insisted that this conference be attended by three or four countries belonging to the NATO and Warsaw Pact respectively.

May 27: At the Warsaw Pact conference Krushchev accused the western powers of opposing the reduction of tension, and stressed that the USSR will never consent to the inclusion of the German problem and the situation in Eastern Europe on the agenda of the summit conference.

June 1: Krushchev informed Eisenhower of his agreement with the latter's proposal that experts begin examining the technical control over the suspension of

nuclear tests as soon as possible. The Soviet Premier stressed that experts should complete work in three to four weeks, while proposing at the same time that experts from Czechoslovakia, Poland, India and some other countries as well take part in the conference.

June 5: The US and West German foreign minister Dulles and Von Brentano agreed that the German problem cannot be excluded from the talks at an eventual East-West summit conference.

June 6: US Foreign Secretary Dulles stated that the preliminary talks held so far in Moscow have not yielded any results whatever that may prompt him to believe that a summit conference will serve any objective which could not be accomplished also by means of other channels. The US consider that an agreement on the suspension of nuclear tests must be linked with the cessation of production of fissile materials for military purposes. The US Government does not preclude the possibility of reaching significant agreements with the USSR on certain issues of common interest.

June 6: In a letter to President Eisenhower Krushchev proposed the expansion of US-Soviet trade on such a vast scale that the Soviet purchases in the US would reach several billion dollars during the next few years. Krushchev also proposed that the US grant the Soviet Union a long-term credit for the purchase of goods.

June 10: Eisenhower proposal to Krushchev that an international expert conference be convoked in Geneva on July 1. The conference would examine the technical possibilities of controlling the agreement on the suspension of nuclear tests. The western countries would be represented at the conference by the USA, Great Britain and France, and perhaps a few others with a more developed technical service. As for the countries of eastern Europe, Eisenhower is not opposed to the Soviet suggestion to invite the Czechoslovak and Polish experts in as far as their presence is deemed necessary.

June 11: After his talks with Eisenhower and Dulles, British Prime Minister Macmillan stated that the US and Great Britain are in favour of a summit conference provided that it enables concrete results. The US and Great Britain consider that such a conference ought to cover an extensive debate on a series of political problems.

## THE COURSE OF LOGIC

ALTHOUGH the preliminary negotiations reached an encouraging stage during the first half of June, it is obvious that many differences of opinion still block the way to a summit conference. As seen, the western countries are

fairly slow in meeting the Soviet proposals, thus missing the chance to profit by the possibilities, while the unreasonable efforts of both sides to assure themselves the strongest possible positions at an eventual conference in advance are slowing down the preparations and aggravating mutual suspicion. Nor can the stubborn insistence of the western powers to begin the discussion of the basic issues which would constitute the agenda of the summit talks already during the preliminary negotiations, be considered constructive and expedient. Contemplated from a logical standpoint, the quest of points in common on the problems that divide the world is the prime and sole objective of the summit conference. The ambassadors and foreign ministers ought to regulate the technical details pertaining to the composition, time and place of the conference. Their task would thus be

accomplished as the meeting of the top statesmen would be devoid of sense if the preliminary negotiations at a lower diplomatic level should resolve the matters reserved for the heads of state.

According to the deep conviction of the world public opinion which considers the organization of a conference for the peaceful and constructive deliberation of the fundamental issues of the present times as the only way of assuring the peaceful development of mankind, the "all or nothing" tactics are fundamentally wrong. It would be far better if the responsible powers would make serious efforts to bring about a suitable atmosphere of pacification in which it would be possible to approach the solution of at least one of the many outstanding problems that constitute the source of tension. In this respect, the US-Soviet agreement to open talks on the technical controls of the

prohibition of nuclear test explosions, even at expert level, may serve as a positive example. From the standpoint of the general interests of peace the level at which talks are conducted is not as important as the readiness of governments to adopt the constructive method of negotiation.

It is of decisive importance for the eventual summit talks that the number of participants should not be limited to the representatives of the big power exponents of bloc policy. The timely orientation to the participation of the broadest possible number of countries, primarily those whose policy of coexistence stands clear of the vortex of bloc antagonisms would facilitate more lasting, solid and acceptable foundations to be laid for the organisation of peace on which the existence of big and small alike is equally dependent.

## YUGOSLAVIA TODAY



### YUGOSLAVIA AT THE BRUSSELS WORLD FAIR

Oto BIHALJI-MERIN

MODERN man's Universal Settlement is laid out in an improvised landscape below the Atomium, and here the visitor may acquaint himself with his economic, social, technical, moral and aesthetic concepts. Fifty-one countries, including Yugoslavia, are exhibiting here the material and ideological concepts of their current reality. As pointed out, this is the biggest and technically most daring review of our times. Some of the buildings — those hovering forms, queer and exotic in outline — are functionally barren, as if set up for the purpose of demonstrating various independent possibilities of civil engineering. In this faultlessly functioning labyrinth the unprejudiced visitor will come face to face with the aesthetic and technical features of our time. High praise is due to the Belgian and international organizers, architects and technicians for the successful fulfilment of their tasks. What a blessing it would be if permanent cooperation between nations were established — a cooperation both harmonious and attractive, like the dreams conjured up at this exhibition.

The International Palace of Science, where the researches of Yugoslav scientists are represented, might be likened to a laboratory of modern alchemy. The atom, the molecule, the crystal and the live cell present a mezzocosmic panorama in which things are shown as mathematical structures. In a way, this means parting from classical mechanism, with the old physical world.

The exhibition on view in the International Palace — "Fifty Years of Modern Art" also marks a departure from tradition and the classical concepts of art. Seldom have we witnessed such a complete representation, through the medium

of truly characteristic works, of the dramatic transition from fauvism to cubism, of the rapid changes to expressionism and to constructivism, of fantastic surrealist nightmares, and of the asceticism of abstract painting and sculpture. It is very interesting to see Krsto Hegedušić beside Otto Dix and Ben Shahn, Ivan Generalić beside Morris Hirschfield, Petar Lubard side by side with Matta Echaurren and Wilfredo Lam. Their impact is forceful even in that company, while Bakić's "Torso" holds its own among the works of Mondrian, Max Bill and Hartung.

THE YUGOSLAV Pavilion represents socialism as an idea and a form of life. In this the small Pavilion, almost entirely overshadowed by the rich and well-organized Swiss halls, has set itself a difficult task. In the great complex of extremely effective, attractive and monumental buildings which compose the Exhibition, this modest pavilion, as if of crystal, draws the attention of visitors with its restrained architectural design and simplicity of its forms, while modern means of expression are used to describe the social and state development of socialist Yugoslavia. It is not always easy to convey the concepts of self-management and organization of the commune, nevertheless many visitors realised that this country is following an independent path of socialist-humanistic development. Some Yugoslavs may consider that our pavilion is not sufficiently suggestive. But it may be just this aesthetic concept that has led to the favourable appraisal of our pavilion by such prominent critics and

Historians of art as Junkheer D. C. Roëll, director of the Rijksmuseum of Amsterdam, Sir Herbert Read, the well-known connoisseur of painting and sculpture. Jean Cassou, director of the Paris Museum of Modern Art, Dr Hans Jaffe, custodian of the Modern Museum in Amsterdam and James Johnson Sweeney, president of the World Association of Art Critics. All these men have expressed the most favourable opinion of the Yugoslav Pavilion, which, in their view, is one of the most successful at the fair. Gerald Barry wrote as follows in the "New Statesman" of May 10th, 1958:

"Any attempt to draw up a list of the national pavilions according to rank and value would be absurd; but if such an appraisal were actually made, the Yugoslav exhibition would come close to the top. It is confined by high selectivity, quite unobtrusive, with the accent on human dignity and the value of tradition".

The area placed at Yugoslavia's disposal was not large. The young Zagreb architect, Vjekoslav Rihter, has put to good purpose the allotted 2,800 square metres of surface, which is rather far from the centre, and at some distance from the main roads, but is surrounded by a luxuriant green curtain.

From afar the visitor notices the sign of the Yugoslav Pavilion: a vertical, slender arrow, the 37-meter high shaft holding 6 steel arcs held taut by a central cable, symbolizing the six Yugoslav republics.

There are no doors. The glass pavilion appears to be hovering above the green carpet of grass, guarded by Bakić's powerful, bronze bull and, Radovani's reclining figure; composition by Olga Jančić, Dušan Džamonja and Drago Tršar blend perfectly with the green lawn and the glass and marble of the building.

The basic articles of industry and economy are displayed on the ground-floor. These are the country's resources: lead, copper, mercury, shining crystals, the energy network. There is also a model of the nuclear laboratory intended for peaceful purposes as well as some details of machines. Of course there are not many machines, as this pavilion primarily exhibits what is strictly connected with man and is in the service of man.

The significance of the Yugoslav pavilion transcends the framework of a single country's exhibition, as it ultimately shows a process marking the current trends of mankind — the trends towards socialism. Hugues Vehenne dealt with this aspect in the Brussels paper "Le Soir" on 14th May 1958. "On entering the pavilion, he wrote, the visitor will notice a giant figure of Marshal Tito. But on approaching nearer he realizes that it is not Tito but another man who resembles him in appearance: one of the many, a man called Antun Frantić, a worker in the railway materials factory in Zagreb, a member of the workers' council, the Council of Producers of the Zagreb Commune and the Council of Producers of the Federal National Assembly". Vehenne goes on to say: "Such is the description of this Yugoslav citizen, who is more experienced in the policy of management than any former capitalist. And as such, he perfectly illustrates what he considers should be imparted to you: that in Yugoslavia, just as at many other places on the globe, new masters have come to replace the old: that after the epoch of social inequality, technical inactivity and the might of individual wealth, the epoch of converse social inequality has been ushered in — an epoch of technical awakening and of the might of collective wealth..." "...As regards the government of the country we learn that the basic social and political authority is represented by the people's committee of the commune, this means that a new generation of citizens has replaced the old — citizens with greater powers... The sound of a bell draws us to a corner from where the Yugoslav Government, calmly states its views on the future of our planet. After confirming

that the world constitutes a whole, the parts of which are inter-dependent, the Yugoslav Government expresses the following conviction: "Peace and cooperation on an equal footing between countries and peoples. Independence, sovereignty, the peaceful solution of problems..."

This is the best evaluation and interpretation of the Yugoslav Pavilion. This is its essence, its main idea. And this is the thought we should have carried away with us after wandering through this city of uninhabited palaces and pavilions. Perhaps it is the thought that all scientific, political and artistic problems have become world problems. Politics, science, art have become universal in spirit. This planet, the Earth, may be ripe for merging into a whole, and not only in terms of transport and engineering.

\* \* \*

I HAVE asked myself why Hugues Vehenne and many other foreign publicists reacted so favourably to the Yugoslav Pavilion. I think they did so because its representation of current social movements is expressed in modern architectonic terms and adequate visual means. This century of important tests and scientific, social and artistic transformation has also found its aesthetic equivalent.

The bright and spacious first floor is consecrated to art. "Horses fighting" by Lubarda, "The Masquerade" by Miljenko Stančić, Murtić's decorative and abstract ceramic panel and Vujaklija's tapestry — these first attract the attention of visitors. But the works of Hegedušić, Pregelj, Generalić, Oton Postružnik, Olga Jančić and others show not only a many-sided development of forms and thought in Yugoslavia but also a subtle personal expression which, as some world critics have said, represent an important contribution to modern world art.

Of the second floor the World Fair visitors are shown Yugoslavia's beautiful scenery. The islands and coast of the Adriatic Sea, the beauty of small towns in Dalmatia and Istria with their Roman and Renaissance cathedrals, the splendour of Lake Ohrid on whose shores stand ancient monasteries, and above all the incomparable beauty of the old but always fresh Dubrovnik.

Many exhibits record the movement of art forms from the Neolithic Age down to the present time. Among these are Diocletian's Palace in Split, masterpieces of medieval frescoes in Serbia and Macedonia, St. Simun's reliquary at Zadar, wrought in gold, and other objects.

On leaving the first floor, we read inscribed beneath a large seascape the text of the concluding sentence in the Programme of the League of Communists of Yugoslavia: "Nothing that has been created should be so sacred to us as not to be transcended or to cede its place to what is even more progressive, freer and more humanistic".

## Please Note

THE EDITORS OF THE "REVIEW OF INTERNATIONAL AFFAIRS" KINDLY REQUEST OUR READERS TO SEND THEIR OBSERVATIONS, WISHES AND OBJECTIONS CONCERNING THE GENERAL CONCEPTION OF THE REVIEW, THE AMOUNT OF SPACE ALLOTTED TO THE INDIVIDUAL COLUMNS AND SUBJECTS ESPECIALLY THOSE RELATING TO THE YUGOSLAV REALITY, THE TREATMENT OF INDIVIDUAL SUBJECTS AND QUALITY OF THE ARTICLES, STYLE, LANGUAGE ETC., TO THE EDITORIAL OFFICE, BEOGRAD, JOVANOVA 16. THE EDITORS THANK THE READERS IN ADVANCE FOR THE VALUABLE ASSISTANCE THUS EXTENDED.

# Review of the Sutjeska Battle and the Operation which Preceded it

Peko DAPČEVIĆ

THE CREATION of a considerable free territory in Bosnia in mid 1942, supported by the free territories in Croatia and Slovenia, after the famous march of the Group of Proletarian Brigades to Bosnian Krajina under the direct leadership of the Supreme Commander Marshal Tito and the formation of divisions of the National Liberation Army of Yugoslavia in November 1942, was a decisive event in the further pursuance of the National Liberation War and the ensuring of the social revolutionary transformation. The National Liberation Army of Yugoslavia thus saw to the necessary and peculiar course of the war operations, ensured the initiative and offensive character of all its actions and became an important factor of the anti-Hitlerite coalition in this part of the world.

The turbulent risings and victories over the occupying troops in 1941 and 1942 were, in that war, the heralds of allied victory, just as the Cer battle was in the First World War. The mass character and efficaciousness of the Army's actions made of it a unique example, and showed that it was possible to assault the Axis fortress from the inside.

This undertaking, as an action of total war for the majority of our people, was all the more significant as it was carried out by an organized army of over 150,000 men — (end of 1942) at a time when the Allies were retreating on all fronts (the Germans were then waging the battle for Stalingrad) — engaged over 30 divisions of the Axis Powers. The tying up of such huge enemy forces, when they were sorely needed on other fronts, — for in many battles in the East and Africa, they could have played the role of tipping the scales in favour of victory for the Hitlerite formations — was of first class significance for the Allies, whose forces had been compelled to retreat or fight on the defensive. Thus our forces, regardless of their non-recognition by the Allies, played a role, the effect of which far surpassed the internal limits of the struggle for the liberation and independence of Yugoslavia. The enemy was the first to grasp this (as he felt on his own body), as well as to realize the significance which the effect of the evolution of the efficacious armed struggle of the well-organized National Liberation Army would have on his troops in the Balkans, and on his plans for Africa, as well as it would have on the development of similar resistance in other parts of enslaved Europe. That was why he mobilized an army of over 100,000 men to tackle this most dangerous hotbed of war, in order to deal a timely blow and destroy the flower of the National Liberation Army — the Chief Operative and similar groups — and so nip this dangerous process in the bud. Thus began the battle for the free territory, or the so-called Fourth Enemy offensive.

With superior and technically well-equipped forces, the enemy scored initial successes, but of the Yugoslav forces he failed to destroy a single brigade, let alone shatter the elite of the National Liberation Army — the Chief Operative group and the forces which operated in conjunction with it. In the first phase of the battle he succeeded in pushing our forces out of the greater part of the free territory and thus winning the battle for space, but he failed to deal the forces of the Chief Operation Group a serious blow. On the contrary, by their energetic and efficacious resistance and skilful manoeuvring, the latter made their way to the Neretva river and suc-

ceeded in striking at the enemy, destroying, among other groups, the Italian division "Murgie" in the Neretva canyon.

The repeated attempts of the enemy again to encircle and finally destroy the forces of the Chief Operative Group in that area, were answered by the battles on the Neretva and Drina rivers, which the preserved forces of the National Liberation Army terminated in their own favour, thus frustrating all the plans of the enemy.

These brilliant victories, and the emergence on to the important operative area of Montenegro and Herzegovina, gave birth to the idea of developing offensive operations in the direction of Serbia, the Kosmet region and Macedonia and of lending support to the forces of the National Liberation Army in neighbouring Albania. This undertaking was to ensure the transference of the intensive fighting operations to Serbia — an important region for us — and to make way for important events in connection with Allied preparations for starting operations from the East and West. The significance of this undertaking, which was to follow a brief pause in operations while our forces consolidated their positions in the Montenegro and Herzegovina regions, which involved the destruction of a part of the Italian garrisons in this area (which was to bring in large quantities of arms, ammunition and equipment for the arming of fresh troops and the creation of new military formations consisting of men from that area), was quickly brought home to the enemy. For this reason he lost no time in concentrating even more powerful forces and material to combat the National Liberation Army, and launched a counter-offensive against the Chief Operative Group, with the object of shattering and finally annihilating them before they began to carry out their basic plans.

Thus began the battle, later called the Battle of the Sutjeska, as its decisive part took place in the area of the Sutjeska river. It started in mid-May — on the 15th of that month.

The plan of the enemy was to encircle the forces of the Chief Operative Group, throw them against the Sinjajevina Durmitor and Maglić massifs, and finally destroy them, and he was reckless in the execution of his plan which was to deprive our forces as soon as possible of the initiative and paralyze their manoeuvring — that most effective weapon of the National Liberation Army. The unequal struggle, under unprecedented conditions of hard fighting, was waged without intermission by our forces and those of the enemy. Our troops were already decimated, exhausted, burdened with over 3,000 wounded soldiers, without ammunition, equipment or food, while the terrain was very unfavourable for manoeuvring and supply. Nevertheless the battle went on, attacks and counter-attacks were carried out for the realization of the fateful plans of the two sides, both of which attacked fiercely in order to keep the initiative and thus bring their planned aims to fruition. The battle assumed the role of the decisive and most intensive battle of the National Liberation War, and it was fought and concluded as such. Our forces, as against those of the enemy, which were six times larger and perfectly equipped, won this battle too, shattering the elite German troops and breaking the ring which encircled them. They emerged on to the new operative area, and immediately undertook offensive operations in several new directions, instead of "solving the problem" in this theatre of war and freeing

his forces for new battlefields, the enemy realized that the situation had become even more complicated, as Yugoslavia had actually created a new front in which the enemy had to engage ever larger forces and material.

Thus our forces won their greatest victory at the time when the Allied troops had just launched their counter-offensive in the East and in Africa, and were not prepared to take part in the finishing off and taking prisoner of the Italian forces in Yugoslavia.

The Sutjeska battle marked a new and decisive moment in the waging of the National Liberation War, and was a full affirmation of the National Liberation Army and its command. Its significance was all the greater as it frustrated the enemy's plan to destroy the elite of the National Liberation Army and the Headquarters Staff, and thus change the course of the National Liberation War. The victory of our forces was all the more significant as it confirmed our concept of war, and we won an important place in the framework of the anti-Hitlerite coalition with our own forces, and emerged as a new power. The National Liberation Army soon became its member de jure — a member with whom the Allies reckoned in all their plans in this part of Europe. Here is what Churchill said about this situation: „Another major matter was the question of Yugoslavia and the Dalmatian coast. The partisan forces tied down the 21st German division in the Balkans. There were another 9 Bulgarian divisions in Greece and Yugoslavia (three incomplete Hungarian divisions and the Vlasov corps. Note P. D.). Thus 30 divisions were being contained by these brave guerrilla fighters. (Italy had already capitulated. Note P. D.). Thus the Balkan theatre of war was certainly one of the areas in which we could spread out the enemy forces to the utmost and facilitate our situation in the hard battles that were ahead... All that was necessary to do was to help the partisans with arms and equipment as well as with commando operations". From „The Second World War" Vol. V — „Closing the Ring" by Winston S. Churchill. Published 1952, page 324.

It happened that the British decided to send a military mission to serve as liaison with the National Liberation Army at the very time when the enemy was preparing his counter-offensive. Thus their envoys found themselves in the midst of the Sutjeska battle where they could observe the strength of the National Liberation Army and witness the skill and capability of Marshal Tito and the Supreme Staff in leading that army in an extremely unequal struggle. And what they saw, and their later acquaintance with the struggle of the entire National Liberation Army, convinced them more and more that these forces were the only factor of armed struggle against the occupation troops in Yugoslavia. As a result, the second half of 1943 saw the arrival of the first supplies of arms, material and equipment from the Allies.

The exceptional character of the Sutjeska battle must be attributed to the greatness of the victory won by the forces of the National Liberation War on that occasion. Irrespective of the huge losses suffered by the army, which was confronted with great and long-term tasks (as every third man and officer, out of about 18,000 men and officers was killed — about 6000), the morale, the inner force and concept of the struggle for the country's independence under the hardest conditions finally triumphed. Here is a statement by General Liters, commander of the German troops, who gave an appraisal of our forces in this battle: .... b) Enemy: the course of fighting showed that the communist forces under Tito's command are perfectly organized, skillfully led and that they have a fighting morale which arouses wonder... (original of the report in Munich, copy in the archives of the Seventh Yugoslav People's Army).

The victory in this battle was the expression of our strength and the wonderful possibilities of the National Liberation Army, which rapidly grew after that, so that at the close of 1943 it numbered about 300,000 and in the latter part of 1944 about 500,000, while it ended the war with 800,000 men and officers.

The celebration will see once more a gathering of men who took part in that battle — men conscious of the fact that their share in it was one of the foundation stones of the common victory and independent policy which our country has pursued and earnestly defended to this day. Together with the whole of our people they will pay homage to their fallen comrades and once more tell everybody how, in that unequal struggle, they paid a high price for their freedom and independence, so that it should be clear to all why they prize these things and so persistently defend them today, just as they won them yesterday by the exertion of their greatest efforts.

The presence of foreign delegations and military missions will once more stress the significance of the National Liberation Army in that period of the war for the Allied forces, for it represented the victory of an ally who sacrificed all for the destruction of the nazi-fascist invaders in this part of Europe and for his contributing to the victory of the Allies, without sparing his forces in that unequal struggle.

The Sutjeska battle was one of a series of victories which we won (some earlier some later) against a much superior enemy.

Its symbolism lies in the fact that our divisions showed what they could do, that they have showed their invincibility and vitality, their strength to break the ring in a situation which would have constituted an impasse for many other armies. Thus this fight was the most epochal event of the National Liberation War, worthy of what we are doing to mark its victorious outcome and the consequences it had for the whole further course of the National Liberation War.

## Our New Contributors

PEKO DAPČEVIĆ — Deputy to the Federal People's Assembly, member of the Federal Executive Council and Central Committee of the Yugoslav League of Communists, reserve Colonel-General. After the liberation of the country occupied the post of Commander of the Fourth Army, and Chief of the General Staff. Author of several publicist works as well as the books „Značaj i snaga manevra" (Significance and Force of Manoeuvres) „Kako smo vodili rat" (How We Waged the War) and numerous articles and treatises in the domain of military science.

ANDREJA PARTONIĆ — Former editor of „Tanjug", and subsequently member of the editorial staff of „Politika" and

the „Yugopress" News Agency. An editor of the review „Ekonomska politika" since 1955.

LADISLAV SERB — Doctor of Law, Counselor to the State Secretariat of Foreign Affairs. Member of the foreign service since the liberation of the country.

OTO BIHALJI-MERIN — Writer, editor in chief of the review „Jugoslavija". His best known works include: „Juriš u Vasionu" (Take the Universe by Storm), „Španija između smrti i rađanja" (Spain in the Throes of Death and Birth), „Dovidenja u Oktobru" (Farewell in October), „Misli i boje" (Ideas and Colours), „Mala zemlja između svetova" (Little Country Between the Universes), „Savremena naša umetnost" (Contemporary Yugoslav Art), „Jugoslovenska skulptura XX veka" (Yugoslav Twentieth Century Sculpture).

# TRADE UNIONS AND WORKERS MANAGEMENT

Ivan BOŽIČEVIĆ

After the introduction of workers management in economic organizations the problem of the role and tasks of the trade unions under the new social conditions emerged into the forefront of public attention so that a broad and exhaustive discussion was waged on the subject. Differing views were expressed at first, and some even argued that the social significance of the trade unions is declining under conditions marked by the management of the enterprises by the workers themselves, that trade union activities should be limited only to a few domains, such as cultural and educational work, and the organization of holidays, recreation etc.

Experience, however, soon confirmed the correctness of the views which contended that the trade unions are confronted by new and far more significant tasks thus rendering their social function all the more indispensable and significant.

The role of the trade unions in the system of workers management is still the main subject of discussion at meetings and talks with foreign trade union representatives, civic leaders and political workers. It also seems logical at first sight to many that the creation of Workers Councils diminishes the social significance of the trade unions. For this reason, as well as in view of the widespread interest for the Yugoslav system of workers management and social relations in general it is natural that the emphasis laid on the need to strengthen the role of the trade unions and increase their activities at the present level of social development (which was particularly stressed in the Letter of the Executive Committee of the Central Committee of the Yugoslav League of Communists of February 1958, the materials of the VII Congress of the Communist League and the sessions of trade unions leaders) provoked the keen interest of foreign trade unions and other circles. However, certain of the questions asked point to the hidden suspicion lest the emphasis laid on the role of the trade unions does not conceal a certain failure of the Workers Councils.

The opinion that the decline of the social functions of the trade unions is inevitable with regard to production and labour relations under conditions of workers management is neither incidental nor wholly unfounded. Such views have their own logic. It is likely that under economic and social conditions marked by highly developed producer forces, an incomparably higher standard of living, when the workers class as a whole attains to a higher ideological and cultural level, acquires the necessary economic know-how and enriches its experience in management, the trade unions will undergo a thorough transformation, change their present character so that many of their functions which are primary today will become secondary and even unnecessary.

The present conditions, however, require the active participation of the trade unions in production and distribution. Life cannot be contemplated abstractly nor is it considered, in assessing the role and tasks of trade unions in the system of workers management, that socialist society has already been created; the present reality is being taken as the starting point, or in other words, that the socialist development of our country which was begun on the basis of an undeveloped economy and under relatively backward social conditions is a prolonged social process characterized by the struggle to overcome many and various difficulties and obstacles.

The workers class was not prepared or trained for management anywhere outside of production and self-government, and thus assume the management of economic organizations fully trained and manage them without difficulty and error. Such a training is non-existent and impossible. On the contrary the training and education of the workers class as the manager of the economy is acquired and broadened through the process of practical management, in every day routine and the struggle with various difficulties, through the direct deliberation of different and complex problems, both in the field of organization of production and economic operations as well as the field of social relations.

But this education is not only imparted through the direct practice of management, but also through the extensive network of seminars, courses, schools, and workers universities, by means of conferences, lectures, the press etc. The trade unions are the prime political exponent and organizer of these activities aiming at the promotion of the economic and general education of the workers class.

The rights of the Workers Councils in the management of enterprises have also been gradually broadened parallel with the growth of the economic potential of the country, the consciousness of the workers class and the acquisition of experience in management.

The successful course of Yugoslav socialist development in which the workers councils played a decisive part, enabled the implementation of far reaching changes in the economic system, the domain of workers management and the development of local self-government. The essence of all these changes lies in the further advancement of the material basis of the workers councils and communes and the extension of their rights to dispose freely with that part of income which remains in their possession after the settlement of their social obligations according to their requirements and opinion. Apart from this, the rights of the Workers Councils pertaining to the regulation and promotion of labour relations have also been notably extended.

The Workers Councils dispose with about 40 percent of the social product at present. The communes on whose organs and policy the workers class should have a decisive influence dispose with another 30 percent of the social product.

Previously the funds which remained at the disposal of the Workers Councils were both relatively and absolutely lower and their purpose was largely defined by law. At present, however, the Workers Councils dispose independently with all resources that remain at their disposal. Formerly the salary funds were fairly rigidly fixed by law. At present the Workers Councils decide themselves what portion of income (with the exception of depreciation) will be allocated for individual income (wages and salaries), how much for the standard of living and how much for the expansion of production.

These changes point to the further deepening of socialist direct democracy and will doubtless have an enormous effect on the further upswing of the creative initiative of the workers class, the development of the productive forces and labour productivity, the rise of the workers standard of living as well as on the development of the consciousness of the workers class while strengthening its social responsibility.

as producer and manager with regard to the global policy of the country.

Needless to say, many shortcomings and weaknesses may be expected. This is both natural and inevitable. The reason for the numerous weaknesses and harmful phenomena should primarily be sought in the still insufficiently developed economy and remnants of old conceptions rooted in the minds of one part of the workers class which is developing rapidly and mostly hails from rural areas. But it is possible to overcome these shortcomings more rapidly precisely through the activities and work of political factors, primarily the trade unions.

It ensues from the foregoing that the further economic and social development of Yugoslavia largely depends on the way in which the Workers Councils and peoples committees will manage these immense social resources, how they will assure the most rational use of these resources for economic development, for the increase of production and labour productivity and the improvement of the standard of living.

Society of course cannot be disinterested as to the manner in which the Workers Councils and communes will manage these resources. It must exert a broad and multifarious influence on this management. With the reduction, namely abolition of the administrative distribution of income, it is indispensable at the present level of our development to strengthen the social effects of such a distribution. This effect should essentially stem from the trade unions, the League of Communists and the Socialist Alliance. To this is due the enhanced role of the trade unions in the field of economy and workers management under the present conditions.

The fundamental task of the trade unions in this field consists in the creation of the most correct social criteria and standards for the distribution of that part of income which remains at the independent disposal of the Workers Councils and in influencing the policy of the Workers Councils by their political authority and economic arguments, thus helping them to find a correct ratio in the distribution of income between individual earnings (wages and salaries) the standard of living, (flats, restaurants, rest homes, public institutions, etc.) and investments. The trade unions must strive to assure the maximum correctitude in the utilisation of living and improvement of working conditions, as well as the increase of production and productivity in general, the economic development of every enterprise, and hence also the economy as a whole.

The trade unions as a voluntary organization of the entire workers class have the special task of coordinating the internal relations of the workers class, in assuring, as far as possible, uniform conditions of work and production. The conditions of production broadly differ today between the individual branches and even between the individual enterprises within the same economic branch. The trade unions, with the cooperation of the organs of authority, economic associations and chambers should bring about such legislative instruments governing the distribution of income, as to enable every collective, every enterprise, to earn, approximately at least, an income equivalent to its labour input after honouring its social obligations.

These tasks of the trade unions are continuing within every collective. The trade unions exert their influence on the distribution of individual income within the enterprises for the purpose of assuring that each member of the collective be remunerated as correctly as possible according to his work, and has share in the creation of material values.

The function and tasks of the trade unions are no less significant in the domain of local policy. Together with the Workers Councils and within the framework of the general economic conditions of the country — the commune has every possibility at present of exerting an almost decisive influence — on the rise of the standard of living of the workers class. Residential houses, restaurants, catering ser-

vices, trade, supply, various services, schools, hospitals, etc. — these are its fundamental tasks at present and the trade unions can and must become the organs of the communes, while influence their policy of distributing funds thus enabling the latter to coincide with the vital interests of the workers class.

The tasks of the trade unions in the field of the economy, distribution of income, salaries, labour relations and workers management were also previously invested with a prime significance, but they appear at present in a vastly qualitatively different and more complex form, therefore also from the standpoint of over all social development the significance of the trade unions is still further enhanced. The enhanced role of the trade unions is due to the broader economic possibilities, rights and duties of the Workers Councils which by no means implies that the Workers Councils are not equal to this task nor does it imply the restriction of the rights and initiatives of the Workers Councils. On the contrary: the successful development of the Workers Councils has enabled a qualitative change in our system of socialist democracy, based on the management of the economy by the direct producers, which again requires at the present level of social development the increased role and activity of social political and trade union organizations in assisting the workers class' to master these new categories.

## OFFICIAL STATEMENTS

### Notes from News Conferences in the State Secretariat for Foreign Affairs

Jakša Petrić the official spokesman of the State Secretariat for Foreign Affairs held press conferences for Yugoslav and foreign newsmen on June 6 and 13 at which he stated the attitudes of the Secretariat concerning certain phenomena that appeared in Yugoslav relations with other countries.

June 6

#### KHRUSHCHEV'S SPEECH:

The official spokesman commented the speech of Soviet Premier Khrushchev at the Congress of the Bulgarian Communist Party in the following words:

The speech of N. S. Khrushchev indicates the real political essence and background of the campaign that is being waged against Yugoslavia of late. The fundamental attitudes expressed in the speech coincide with this campaign but are obviously contradictory to the principles stated in the Belgrade and Moscow declarations and the previous statements of Khrushchev. We cannot understand how it is possible that both attitudes be based on Marxism-Leninism. We are likewise at a loss to understand how the Yugoslav obligations towards the "camp" are invoked when it is alleged at the same time that we are "in imperialist service".... We were and remain in favour of cooperation on all problems where this is possible. Judging by the facts, political and ideological pressure is being exerted on Yugoslavia at present under the guise of ideological struggle, as borne out particularly by the cancellation of the credit arrangements concluded and signed".

Speaking of Khrushchev's letter to President Eisenhower proposing the increase of Soviet — US trade and the extension of long term credits by the US, the official spokesman stated:

"The Federal Peoples Republic of Yugoslavia always indorsed and will continue to advocate the expansion of commodity exchange between all countries. The letter shows that the Soviet Government has arrogated the right for itself to enter in specific economic relations with the capitalist countries, which it would otherwise denounce in the most vigorous terms, if done by Yugoslavia for example. Moreover, this is one of the main arguments underlying the allegations that our policy is not independent in the organized campaign that is being waged against Yugoslavia of late. This unprincipled attitude is yet another proof for us, that a ruthless pressure is being brought to bear on our country, being a premeditated to place us into an unequal position and discredit our independent policy."

THE UNITED NATIONS: Turning to the anti-Yugoslav articles in the Chinese papers the official spokesman stated:

"By their brazen effrontery and quantity these articles do not lag behind, nor are they superior in quality to the attacks launched against Yugoslavia during the Cominform period, which as known together with the majority of their signatories experienced an inglorious fate. It is obvious that such writings should compensate the lack of valid arguments by raising a hue and cry which is based on nothing but force".

The Yugoslav attitude towards the United Nations Organization is attacked in the Chinese paper "The Red Flag" which affirms that "the UN efforts aim at accomplishing world unity through the rule of American imperialism". The comment of the official statesman was as follows:

"The positive views of Yugoslavia on the role of the United Nations is known. In spite of its shortcomings the United Nations Organization played and should continue to play a significant part in the promotion of international cooperation, especially with regard to the preservation of world peace. The attitude expressed in the respective article must cause deep concern as regards the general orientation of the Chinese foreign policy. I wish to remind you that a similar attitude towards the UN prevails among the most reactionary circles elsewhere in the world".

June 13

At this conference the official spokesman commented on the Yugoslav-Egyptian trade talks in Cairo, those parts of the Speech from the Throne of King Paul of Greece and the speech of Premier Karamanlis which refer to Yugoslavia, Italo-Yugoslav economic relations, as well as the reports of foreign news agencies on the escape and arrest of some Cominformist elements.

#### YUGOSLAV RELATIONS WITH OTHER COUNTRIES

THE YUGOSLAV-EGYPTIAN TALKS: "The talks held in a spirit of mutual understanding within the Mixed Yugoslav-Egyptian Committee are proceeding favourably and are successfully being brought to an end. Apart from the increase of commodity exchange which reached a substantial volume of late, the talks also dealt with the broadening of economic cooperation in other fields as well. The talks on cooperation in marine transport are also making satisfactory progress. The successful outcome of these talks will contribute to the further development and strengthening of friendly and mutually profitable cooperation between two countries".

YUGOSLAV-GREEK RELATIONS: "The Yugoslav Government and public have received with satisfaction and highly

appreciate those parts of the Speech from the Throne of King Paul and the programme speech of Premier Karamanlis in the Greek Parliament which refer to Yugoslav-Greek relations. These relations are developing very favourably in the spirit of friendship and good neighbourly cooperation. They can serve as an example of successful cooperation between two countries with different social systems. Yugoslavia will do everything on her part to assure the further successful development and strengthening of such friendly relations to the mutual advantage of both countries and in the interests of peace in this region and peaceful international cooperation".

THE COMINFORMIST ESCAPE: "On May 31, 1958 a group consisting of ten persons previously sentenced to imprisonment for their hostile Cominformist activities, fled illegally to Albania. These persons were released before serving their term of imprisonment and appropriate employment and normal living conditions were provided them. Nonetheless, the group escaped from the country with the intent of developing hostile activities against Yugoslavia from abroad. Needless to say, the group was incited to flee not only by the campaign waged against our country but also by other means. After this incident the organs of the Interior arrested a certain number of persons against whom criminal investigations were opened for taking part in the preparation of the escape of the above mentioned group or for collaborating with it in their pernicious activities. These persons were also formerly sentenced for their hostile activities. The reports on some large scale arrests in Yugoslavia are entirely unfounded, as it is known that the persons formerly sentenced for their Cominformist activities who realized their errors, re-adjusted themselves to normal life after regaining their freedom, and that the vast majority of these persons, profiting by the support and possibilities given them, is again taking active part in public and social life".

## Review of INTERNATIONAL AFFAIRS

### CONTENTS

Socialism and Peace, Dr. A. Bebler . . . . .	1
U.S.S.R. Government's One-Sided Acts, A. Partović . . . . .	3
The Soviet Credits and International Law, L. Serb . . . . .	5
De Gaulle and the Algerian Problem, L. Erven . . . . .	7
Development of Initiative for Talks, N. Dubravčić . . . . .	9
Yugoslavia at the Brussels Word Fair, O. Bihalji-Merin . . . . .	12
Review of the Sutjeska Battle, P. Dapčević . . . . .	14
Trade Unions and Workers Management, I. Božićević . . . . .	16
Notes from the News Conferences . . . . .	17

### "THE REVIEW OF INTERNATIONAL AFFAIRS"

Is a Forum for the Free Exchange of Ideas by Yugoslav and Foreign Authors in the Domain of Politics and Economics.

The Review is Published Fortnightly in:

Serbo-Croat  
English  
German  
French  
and Russian

# Get Acquainted with Yugoslav Industry



## THE SULPHATE CELLULOSE AND KRAFT PAPER FACTORY Maglaj

PRE WAR production of kraft paper in Yugoslavia was negligible. Demand for this article increased particularly after the liberation of the country, namely after the period of reconstruction when the basis for rapid industrial development was laid by the adoption of the Five Year Plan. Although sulphate cellulose for the manufacture of packing paper was imported in lesser quantities before the war while kraft paper was purchased on a far larger scale, pre-war requirements were incomparably lower than the needs called forth by the reconstruction and economic development of the country. Already during the initial phases of the Five Year Plan, and parallel with the industrial development of the country and rise of the standard of living, it proved necessary to build a sulphate cellulose and kraft paper factory, as the sustained and vigorous development of the chemical, food and cement industries required ever larger quantities of

kraft paper for packing purposes. It was at that time, namely during the elaboration of Five Year Plan that the decision was brought to build such a factory. For this reason the necessary studies and explorations were made thus enabling work on the plans and projects to begin without delay.

The raw materials resources for such a factory were entirely adequate as Yugoslavia disposes with vast forest reserves. In Bosnia-Herzegovina alone the annual increment of standing timber averages about two million cubic meters.

It was originally decided to build a factory with a capacity of 12,000 tons of kraft paper annually. A certain part of the equipment required was ordered from Sweden. It was subsequently realized, however, that actual needs are greater (about 20,000 tons of kraft paper annually) thus requiring the construction of a factory with an annual capacity of 24,000 tons of sulphate cellulose and

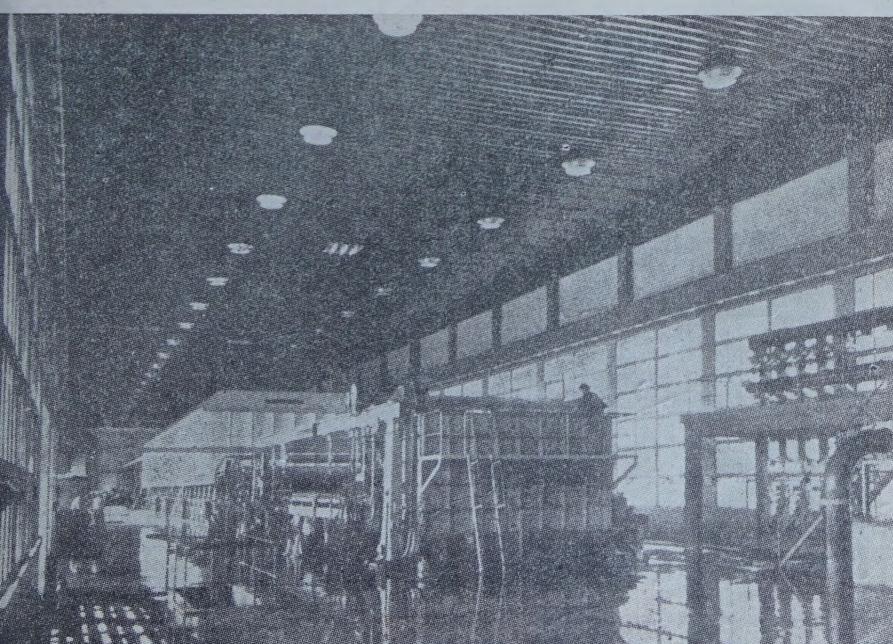
22,000 tons of kraft paper annually, so that the respective blueprints and plans were drawn up accordingly. The factory was founded in August 1951 and named "The Maglaj Factory of Sulphate Cellulose and Kraft Paper". The location of this project in Central Bosnia is highly suitable both for the supply of raw materials and shipment of finished products.

The conclusion of contracts and other preparations for the construction of the factory were completed in August 1952, so that the foundations were laid at the beginning of 1953. The factory came into trial operation in August 1955, while beginning regular operation on November 1, 1956. Apart from a sulphate cellulose and kraft paper plant, a department for the manufacture of kraft paper bags was also installed in the factory, thus notably increasing the profitability of this industrial project.

The following articles are made of sulphate cellulose: kraft paper for the manufacture of paper bags, corrugated pasteboard, fine wrapping kraft paper and other strong paper wrapppers, as well as cable and condenser insulating paper.

Kraft paper is obtained from sulphate cellulose. Sulphate cellulose is obtained from the decomposition of wood in an base solution consisting of sodium hydroxyde and sodium sulphide, namely the removal of incrustants by means of sodium hydroxyde and their transformation into water or alkali soluble compounds. In order to make this process economical, the sodium hydroxyde (soda), is recovered by evaporating the liquor to dryness and igniting the residue whose organic components are thus burned up. Thus the sodium hydroxyde is recovered while at the same time releasing large quantities of heat for the generation of steam.

During the soda recovery process, inevitable waste occurs during coo-



king and re-generation, this being compensated by the addition of sodium sulphate. This gives the cellulose a darker colouring but the paper thus manufactured is much stronger while assuring optimum utilisation of the raw materials. This process is alkaline and contrary to the sulphate namely acid process for the obtaining of sulphate cellulose which is used for the manufacture of writing paper and newsprint of the inferior grades, wrapping paper and containers.

Mainly coniferous wood with the exception of pine, is used for the manufacture of sulphite cellulose, while all conifer wood (including also pine and sawmill conifer waste which cannot be used for sulphite cellulose) are used in the production of sulphate cellulose.

Wooden logs and sawmill waste are conveyed by waterways to the revolving cutters where they are converted into chips and strips. After the removal of sawdust the latter are conveyed to silos where they are sorted and graded according to type of wood (fir and spruce, pine, sawmill waste). Therefrom the strips are conveyed to indirectly heated digesters after the addition of a base solution consisting of sodium hydroxyde and sodium sulphate. The cellulose pulp is subsequently conveyed under pressure to the diffusion batteries where evaporation takes place. Evaporation may also occur in a filtering device instead of a diffusion battery. By evaporation the cellulose pulp is cleansed of base residue and other chemicals. Thus dark lye is obtained which contains dissolved organic matter, water and chemicals. In order to separate the organic components the water is first evaporated in an evaporator plant, while the organic ingredients are ignited. In order to compensate the waste that occurs in the process sodium sulphate is added which reacts on the organic components of dark lye, so that in roasting the coal obtained reduces a certain part of sodium sulphate into sodium sulphide. The residue left is a mixture of sodium carbonate, sodium sulphide and sodium sulphate with small quantities of other sodium and sulphuric compounds. The decomposition of this compound yields green lye which is recausticized by treatment with lime thus obtaining white lye. This circular process of regeneration in

the manufacture of cellulose by the sulphate process — assures the economy of the whole process and production of sulphate cellulose.

The crude cellulose is conveyed to the mills for grinding after which colophony is added to the pulp and aluminium sulphate for setting after which the pulp is conveyed to the paper rollers.

Production of kraft paper is highly profitable as it is based on an abundant raw materials supply apart from fir and other conifers, saw mill waste and pine which cannot be used for technical purposes is utilised. Cellulose pulp for inferior packing paper in manufacture from waste gnarles, thus reducing production costs.

The product of the "Maglaj" factory are as follows: kraft paper for bags, writing paper in sheaves, rough wrapping paper of gnarles, and paper bags as finished products.

The Maglaj factory is the only project of its kind in the country and begun regular operation over 19 months ago. About 40,000 tons of kraft paper were produced so far. A large part of this quantity was used for the manufacture of paper bags for the cement, food and chemical industries as well as cement exports, while larger deliveries of kraft paper were made to Poland, Rumania, East Germany, Greece, Egypt, Hong Kong etc., which best testifies to the fact that the quality of this article wholly conforms to international standards.

Although the sulphate cellulose factory in Maglaj is a new and recent enterprise it was profitable from the very first day of regular work and saves about two million dollars every year which were previously spent on imports of kraft paper

for home requirements. The skilled workers and expert and technical staff of the factory yielded our first generation of specialists for this branch of production. The installation of this important modern and semi-automatized factory was largely effected with the assistance of highly skilled Yugoslav workers, technicians and engineers. In spite of this, the factory has overcome considerable difficulties and is producing paper whose quality is appreciated in the highly industrialized countries as well. There can be no doubt that the factory will continue to develop and promote its production and by its expansion contribute still further to the balance of payments of the country.

However the further development of the Yugoslav chemical and cement industries, and especially the production of artificial fertilizer will require far greater quantities of kraft paper. In order to satisfy future requirements, it will be necessary to obtain larger quantities of kraft paper is first. Therefore this sector present capacity of the Maglaj factory. Therefore the expansion of this factory is slated in the foreseeable future thus enabling it to satisfy home demand, while also assuring certain export surpluses. At present however the factory is not in a position to meet all export requirements.

Kraft paper is a product of prime importance in world trade. There are relatively few factories of this kind in the world, so that strong demand prevails for this product. Production of kraft paper is profitable as waste is largely used. From the standpoint of profitability in the paper industry the production of kraft paper is first. Therefore this sector will be further developed and expanded in this country which disposes with rich raw materials resources therefor.

